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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,031	04/05/2001	Edward J. Boyie	40655.1000	4847

20322 7590 06/23/2005

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EXAMINER

HARBECK, TIMOTHY M

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 06/23/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/827,031	Applicant(s) BOYLE ET AL.	
	Examiner Timothy M. Harbeck	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 21-32 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 21-32 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on 05 April 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. ____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date <u>09/10/2001</u> , <u>4/29/2002</u> , <u>5/04/2005</u> | 6) <input type="checkbox"/> Other: ____ |

Oath/Declaration

The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

Non-initialed and/or non-dated alterations have been made to the oath or declaration. See 37 CFR 1.52(c).

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 21-31 are rejected under 35 U.S.C. 101 because the claimed invention is non statutory in that the subject matter does not claim technology in the bodies of the claims. The act of storing and receiving consumer information for aggregated use in a reverse auction does not involve technology. For a claim to be statutory under 35 USC 101 the following two conditions must be met:

1) In the claim, the practical application of an algorithm or idea results in a useful, concrete, tangible result,

AND

2) The claim provides a limitation in the technological arts that enables a useful, concrete, tangible result.

As to the technology requirement, note MPEP Section IV 2(b). Also note In re Waldbaum, 173USPQ 430 (CCPA 1972) which teaches "useful arts" is synonymous with "technological arts". In Musgrave, 167USPQ 280 (CCPA

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1970), In re Johnston, 183USPQ 172 (CCPA 1974), and In re Toma, 197USPQ 852 (CCPA 1978), all teach a technological requirement.

The invention in the body of the claim must recite technology. If the invention in the body of the claim is not tied to technological art, environment, or machine, the claims are not statutory. Ex parte Bowman 61USPQ2d 1665, 1671 (BD. Pat. App. & Inter. 2001) (Unpublished).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 21-26, 28-30 and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shoman (US Pat No. 6,584,451 B1) in view of Halbert (US Pat No. 6,101,484)

Re Claim 21: Shoman discloses a computer implemented method for facilitating an auction (Column 3, lines 29-31) comprising a consumer defined purchase rule for a selected item (Column 6, lines 52-57, 62-67), retrieving a subset of consumer information wherein said subset comprises consumer information having a similar said consumer defined purchase rule (Column 5, lines 16-17). This is the main motivation behind the Shoman invention; to

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aggregate the buying power of small volume buyers to promote competition among vendors. Shoman further discloses providing said subset to a vendor offering said item (Column 2, lines 63-65) and accepting a bid for said vendor to provide said item to said subset (Column 3, lines 5-6). While not specifically disclosing that the bid is "accepted," the motivation behind an auction system is for goods to be exchanged between a buyer and a seller. This could not occur unless a bid is accepted. Furthermore, the disclosure of Shoman reads "the seller(s) then sell the goods to all buyers who offered more than the discovered price, (Column 3, lines 5-6)" which leads to the conclusion that a bid was accepted. Shoman further discloses verifying that said bid is in accordance with said consumer defined purchase rule (Column 3, lines 1-5). The fact that the facilitator accepts a bid from a seller leads to the conclusion that the consumer defined purchase rule is met, or else the submission of said consumer defined purchase rule would be moot. Finally Shoman discloses confirming that said bid is optimum (Column 4, lines 28-40), based on different criteria. Shoman does not explicitly disclose that the consumer defined purchase rules are stored in a database. Halbert discloses a dynamic market equilibrium management system that is adapted for the sale of goods and services through an online buying group formed for the specific purpose of purchasing a particular product. According to the disclosure, for a potential buyer to join the purchasing group, he or she must determine the price at which he or she is willing to purchase the featured item. Halbert then proceeds to read that all offers including the various amounts at which they are submitted are collected and summarized in a database (Column

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3, lines 4-10). It would have been obvious to someone skilled in the ordinary art at the time of invention to modify the method of Shoman to include the database of Halbert, so that the facilitator for aggregate buying would have a reference of all consumer purchase rules submitted. The facilitator would then be able to compile lists of consumers with compatible purchase rules and present them to a vendor and thus maximize the leverage associated with aggregate purchasing.

Re Claim 22: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses notifying said consumer of said optimum bid (Column 2 line 65- Column 3 line 1).

Re Claim 23: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses a method wherein said confirming step comprises determining if said bid provides optimum savings (Column 4, lines 31-34).

Re Claim 24: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses a method wherein said verifying step comprises evaluating said bid based on a proposed price and a proposed provision of said item (Column 2 line 65- Column 3 line 5).

Re Claim 25-26: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses a method wherein said storing step comprises storing in a database a deviation to said rule and storing in said database a restriction upon a deviation from said rule. Shoman reads "another alternative is to allow the buyer to submit the equivalent of a schedule: buy product A unless product B is 40 dollars less. In that case buy product B. (Column 6, lines 52-54)." In this case the buying of product B would represent a

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deviation from the original rule to purchase product A. The said schedule then proceeds to apply a restriction that product B must be at least 40 dollars less than product A for the facilitator to apply said deviation from the original rule.

Re Claim 28: Shoman in view of Halbert discloses the claimed method supra, and Halbert further discloses a method wherein said retrieving step comprises scanning said database to determine individual consumers with similar consumer defined purchase rules, placing these similar individual consumers into said subset (Column 3, lines 4-12). Halbert reads, "All offers including the various amounts at which they are submitted are collected and summarized in a database (Column 3, lines 8-10)." The process of summarizing the information in the database is interpreted as placing the similar entries together, as this is the main objective and motivation of the Halbert method as disclosed (Column 1, lines 18-23). While Halbert does not explicitly mention the use of "rows" in a database, it is was well known in the art at the time of invention that computerized databases (i.e. Microsoft Excel), use individual rows to differentiate between individual entries in a system, and could have been easily applied in this case.

Re Claim 29: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses a method wherein an individual row (consumer entry or request) of said rows is placed into more than one subset. Shoman discloses the use of "switching goods" (Column 5, lines 3-8) and limit orders (Column 6, lines 61-67). In switching goods, "a buyer can submit a bid for either X or Y, depending on price," which means that the consumer request can be

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placed into more than one particular subset of products for purchase. In a limit order, a customer may make a request to "buy product A if the price drops below \$300," which means that this particular entry could be placed within any subset of consumer requests seeking to buy product A for less than \$300 (i.e. \$295, \$275, \$250).

Re Claim 30: Shoman in view of Halbert discloses the claimed method supra, and Shoman further discloses a method wherein said rows (consumer requests) are similar when said consumer defined purchase rule differs by less than a predetermined criteria. Shoman states, "The primary function of the mechanism is to automatically aggregate the buying power of these buyers (Column 1, lines 55-60)." In order for these buyers to be grouped together properly there must be some inherent defined criteria to determine orders that are similar. Combining dissimilar requests does nothing to aggregate the buying power of a group, because members of the group would want different things, and this would work directly against the motivation outlined by Shoman.

Re Claim 32

The further system claim would have been obvious by performing the method claim 21 rejected above and is therefore rejected using the same art and rationale of Shoman in view of Halbert.

Claims 27 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shoman in view of Halbert as applied to claim 21 above, and further in view of Walker (US Pat No. 5,794,207).

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Re Claim 27 and 31: Shoman in view of Halbert discloses the claimed method *supra*, but does not explicitly disclose that said item comprises at least one of an airline reservation, automobile reservation, and hotel reservation and does not explicitly disclose the purchase of at least one good and service. Walker teaches a method to facilitate buyer driven conditional purchase offers that references the purchase of airline tickets as a potential use for the method (Column 8, line 49-56). It would have been obvious to someone of ordinary skill in the art at the time of invention to modify the method of Shoman in view of Halbert to include the disclosure of Walker that said item could comprise at least one of an airline reservation, automobile reservation and hotel reservation because these are all examples of goods or services that are based on a dynamic price scales that are commonly reduced for group rates. A method like the one disclosed by Shoman and in view of Halbert wherein small volume buyers are aggregated to increase their bargaining leverage with a vendor would be well suited to handle these types of purchases. This follows then that said item comprises at least one of a good or service because an airline reservation, automobile reservation, or hotel reservation satisfies this requirement.


Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


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